

SPRING 2026

WHAT'S NEW

Alameda County	Los Angeles County	Sacramento County	Santa Barbara County
Contra Costa County	Marin County	San Bernardino County	Sonoma County
Fresno County	Mendocino County	San Diego County	Stanislaus County
Imperial County	Merced County	San Joaquin County	Tulare County
Kern County	Orange County	San Mateo County	Ventura County

CONTINUING EDUCATION HOURS

To receive credit for educational hours, Trustees, Affiliates and Staff must complete an online evaluation for each session they attend. Hard copy/paper evaluations are no longer in use at conferences. To access the online evaluations, please follow the instructions:

- Go to SACRS.ORG
- Login to your account
- Click on Events
- Click on Spring Conference
- Click on Spring 2026 Conference Evaluation
- Click on the sessions you would like to evaluate and click submit

All evaluations must be completed by **July 1, 2026**. Upon completion of your evaluation, your certificate will be available in your account portal at **SACRS.ORG**. To access your certificate of completion:

- Go to SACRS.ORG
- Login to your account
- Click on "My Account"
- Click on "My Continuing Education"
- Click "Print Certificate" next to one of the sessions you attended

You do not need to print a certificate for each session you attended, by clicking "Print Certificate" next to one of the sessions you evaluated, the website will generate a certificate with the total number of CE credits earned at the conference.

ALAMEDA COUNTY

ADMINISTRATION

ACERA initiated its inaugural participation in CEM Benchmarking, a global program providing objective, peer-based insights into pension administration and investment management, to evaluate the system's service quality and cost-effectiveness against other leading re-tirement systems.

ACERA conducted an election for five Board of Retirement seats, resulting in the re-election of Safety Member Trustee Ross Clippinger and Retired Member Trustee Elizabeth Rogers, and the election of Active Member Trustee Scott Ford and Alternate Retired Member Trustee Kathy Foster; the Alternate Safety Member seat remains vacant as only one candidate filed for the Safety Member position.

ACERA facilitated the addition of the Alameda County Local Agency Formation Commission (LAFCo) as a participating employer and initiated onboarding activities.

ACERA performed a Benefit Certification Audit to strengthen fraud prevention controls and enhance the protection of member benefits.

ACERA implemented GASB Statement Nos. 102, 103, and 104 into its accounting practices.

INVESTMENTS

ACERA adopted a new Public Equity structure following a comprehensive three-part review, integrating global mandates to enhance diversification and return potential while simplifying manager allocations to lower average fees and strengthening risk management through improved performance clarity.

ACERA terminated TCW, Aristotle, and Capital Group as Public Equity managers following the adoption of the new Public Equity structure.

ACERA held advanced Board sessions on Environmental, Social, and Governance (ESG) and Emerging Investment Managers (EIM) principles to further refine its investment framework, leading

to the adoption of updated ESG and EIM Investment Policies featuring enhanced reporting, questionnaires, and oversight processes.

ACERA extended its custody contract with State Street Bank and Trust Company for up to three years and initiated a Request for Information (RFI) process to conduct a review of the custodial services marketplace and evaluate current industry service models.

ACERA completed the onboarding of financial and accounting data to the Clearwater platform, a cloud-based solution that integrates data from various financial institutions into a unified reporting framework to ensure consistency and automate complex accounting reconciliations for the investment team.

ACERA completed a review of its Asset Allocation, incorporating an updated report that the Total Fund's projected 10-year risk-adjusted return was lowered to 6.0% from the previously projected 6.8%.

ACERA expanded the Total Fund's investments in 10 privately placed funds totaling \$380 million and €37 million.

As of December 31, 2025, ACERA's Total Fund returned 15.9% (net) for the year with a total value of \$14.0 billion.

BENEFITS

ACERA automated service retirement COLA adjustments to improve retirement payroll processing.

ACERA developed real-time salary pay item reporting to optimize monitoring of employer compensation updates.

ACERA produced 10 member educational videos covering frequently asked retirement questions.

ACERA hosted its second hybrid health fair, combining an in-person event for retirees with a live broadcast of the on-site wellness presentations via Zoom for those participating from home.

CONTRA COSTA COUNTY

RETIREMENT BOARD

- The CCCERA Retirement Board is comprised of the following trustees: Scott Gordon, Chairperson, David MacDonald, Vice-Chairperson, Jerry Holcombe, Secretary, and trustees Candace Andersen, Dennis Chebotarev, Donnie Finley, Louie Kroll, Jay Kwon, Dan Mierzwa, John Phillips, Mike Sloan, and Samson Wong.
- CCCERA will hold an election for one general, one safety, and one alternate safety seat on the Board. The nomination period for these positions opened on March 9 and will close on April 3, for a June 30 election.
- The Contra Costa County Board of Supervisors will be interviewing candidates for appointment to four seats of the Board that expire on June 30th.
- The Board selected Meketa as its new general investment consultant, and StepStone to continue as its private equity consultants also overseeing real estate investments, after conducting a Request For Proposals (RFP) procurement search.
- The Board oversees the administration of the retirement system, which was valued at \$13.0 billion as of December 31, 2025.

INVESTMENTS

- CCCERA's investment portfolio construction is based on maintaining functionally-driven sub-portfolios.
- CCCERA has been actively expanding its private markets allocation, which currently accounts for approximately 27% of total plan assets.
- The Board's new general investment consultant, Meketa, gave their first presentation to the Board, regarding the results of the risk tolerance survey.
- CCCERA issued an RFP for Investment Legal Counsel Services and is evaluating responsive firms.

OPERATIONS

- CCCERA launched a new pension software system (Neospin by Sagitec) in October 2025. CCCERA's member and employer portals will be launched this year.
- CCCERA is implementing a new telephone phone system that will be integrated with the new pension software.

FRESNO COUNTY

Welcome to the Spring 2026 SACRS conference in Olympic Valley, CA. This write-up is FCERA's opportunity to share about the last six months, celebrate our accomplishments, recognize our staff, and look forward to the changes that are coming soon. We hope you enjoy "What's New with FCERA."

BOARD MEMBERS

Trustees of the Fresno County Board of Retirement include:

Riley L. Talford, MA – General Members, Chair
 Rauden ("Rod") H. Coburn III, DDS – Appointed, Vice Chair
 Laura P. Basua – Retired Members
 Greg Baxter – Appointed
 Alysia Bonner – General Members
 Oscar J. Garcia, CPA – Ex-officio (Treasurer)

Steven ("Steve") J. Jolly, AIF – Appointed
 Nathan Magsig, MBA, MS – Appointed, Board of Supervisors
 Jacob Woesner – Safety Members
 James E. Hackett – Retired Members (Alternate)
 (FCERA does not have a Safety Alternate)

We are pleased to share the results of our election for the Retired Member seat that took place on November 20, 2025. Laura Basua was re-elected as the Retired Member Trustee. Laura will continue to serve on the FCERA Board for an additional three-year term. We also have a returning trustee, Retired Member Trustee Alternate, James Hackett, who replaces DeeAnn VonBerg, and will be serving the first of his new three-year term as a retiree. James previously served as a trustee from January 1, 2008, through December 31, 2010, as a General Member Trustee. We welcome

FRESNO COUNTY - CONTINUED

him back and, at the same time, wish DeeAnn well and thank her for her service. FCERA appreciates their commitment and leadership on behalf of retired members. Laura and James will be attending SACRS, be sure to say "Hi" and congratulate them.

STAFF

In February, Sai N. accepted the position as Deputy Retirement Administrator over Operations. We are thrilled to have her in this new role. She was promoted from our Principal Accountant position and the recruitment for her replacement will be well underway by SACRS week and is expected to be completed in the next few months. We are also welcoming Conner D. to our Retirement Specialist team who we promoted from Fresno County's Auditor-Controller/Treasurer-Tax Collector's office.

ADMINISTRATION AND OPERATIONS

We are excited to share that FCERA is implementing Monday.com to support internal processes, including leave slip submission, project management, and internal service (software, hardware, safety, facility, janitorial, etc.) request tracking. This addition will improve organization, visibility, and workflow efficiency across our units and provide better tracking of leaves, projects, assignments, and requests.

Another technological innovation that has helped us greet and serve members more efficiently is the Sign-In App, which uses an iPad and QR code to sign in members who visit our office. This tool has streamlined the check-in process, improved the member experience, and helped staff provide timelier service.

FCERA staff recently completed the transition from our previous electronic document management system ("EDMS"), OnBase, to the EDMS platform within Arrivos, our pension administration system ("PAS"). This marks our first step in transitioning to our PAS's new platform, and we look forward to sharing additional progress in the future. Upgrading our PAS to the latest software platform is a part of our 2026-2028 triennial strategic plan.

FCERA is also working to bring its website and PDFs into compliance with ADA Title II standards by the applicable deadline next April 26, 2027, if not well before. Our Communications Analyst, Jared W., has begun the effort and will continue working diligently to help ensure compliance. Due to Jared's ongoing efforts, our website is already over 95% compliant.

Actuarial information as of June 30, 2025

- Actuarial Accrued Liabilities \$7,994,715,000
- Market Value Assets (MVA) \$7,380,434,000
- Valuation Value Assets (VVA) \$7,092,473,000
- Funded percent based on MVA 92.32%
- Funded percent based on VVA 88.71%
- Average Contribution Rates: 41.45% (ER) and 9.37% (EE)

FCERA has a separate administration expense load on employer and employee rates as a percentage of total average contribution rates at 1.07% and 0.23% of payroll, respectively, incorporated in the rates.

INVESTMENTS

As of December 31, 2025, FCERA's total portfolio was valued at \$7,852,637,940 with a one-year total return of 15.4%. A highlight of 2025 includes FCERA's annual Board Educational Summit. We thank the speakers and those who helped make it possible: FCERA investment staff; NEPC, general investment consultant (Going Global or Going All Cap); Dimensional Fund Advisors (The Hidden Costs of Indexing); Strategic Global Advisors (The History and Current State of Large Language Models and AI); Apollo (An Outlook for Public and Private Markets by Torsten Slok, Ph.D., Partner and Chief Economist); Principal Asset Management (A Global Macro Overview by Seema Shah, Chief Global Strategist); J.P. Morgan Asset Management (A Conversation with Ash Williams, Vice Chairman); Invesco (An Economic Summary); Harrison Street (An Economic Summary); AB CarVal, Napier Park, and EnTrust (Plains, Trains, and Boats Infrastructure Panel); Locust Point (Senior Housing and Care); Manulife, Nuveen, AGR Partners, and PGIM R/E (Agriculture Asset Class Overview Panel); Climate Interactive (Climate Considerations in Investing); and, Franklin Templeton (Liability Driven Investing).

NEPC is leading the charge on a new equity structure adopted by the Board. The plan focuses on gaining more public equity small cap exposure, particularly in international and emerging markets (FCERA already has an allocation to US small cap). Changes are underway and should be finalized by the end of 2026.

In the near term, FCERA staff and Board members will be participating in a Fresno-based real estate tour with a current portfolio manager (Graceada) and will be visiting local farmland assets with an agriculture manager.

FRESNO COUNTY - CONTINUED

By the time this is published, FCERA's Retirement Investment Officer, Conor H., will have just returned from attending an annual general meeting and conducting multiple due diligence meetings in New York as part of an ongoing effort to check in on FCERA's managers more regularly.

Lastly, the Retirement Administrator created the following for prospective managers interested in partnering with FCERA, which has been posted to FCERA's website under our FAQs and is intended to help navigate the relationship process:

Question

How does a new asset manager establish a relationship with FCERA?

Answer

From the Retirement Administrator (Head of Investments):

Thank you for your interest in working with FCERA. We are a great organization to partner with once you get to know us. That said, please keep in mind:

- **Avoid generic outreach.** Automated mass emails, off-the-shelf marketing pieces, or scripted messages are not effective. You will get about as much time and energy from us as you put into us.
- **Do your homework.** Building new relationships starts with preparation. We generally do not respond to canned messages, and we do not take unsolicited voice or video calls. However, we are always glad to meet in person at our

offices, conferences, and industry events.

At FCERA, our consultants play a central role in manager sourcing and underwriting:

- **Private Credit:** Aksia (discretionary)
- **Private Equity:** Hamilton Lane (discretionary)
- **All Other Asset Classes:** NEPC (non-discretionary, responsible for sourcing and initial underwriting)

Staff are not evaluated or rewarded based on new manager meetings/engagements. Importantly, we do not direct our consultants on which managers to approve—they make those determinations themselves.

Our **asset allocation, manager lineup, and Investment Policy Statement** are posted on our website. Further, reviewing our quarterly performance reports and Board meeting materials will also provide consultant contact information and help determine whether your firm's strategies may be a fit. This preparation saves time and helps avoid dead ends.

We are confident your firm has much to offer, but we ask that you bring us **solutions, not problems**. Thoughtful, well-researched outreach will be received far more positively than generic approaches.

Thank you for your patience and persistence. If our paths cross at a conference, we will be glad to spend time with you.

IMPERIAL COUNTY

BOARD OF RETIREMENT

Current Trustees of ICERS' Board of Retirement include:

- Suzanne Bermudez – Ex-officio
- VACANT – General Member
- Enrique Alvarado – General Member
- Ryan E. Kelley – County Supervisor, Appointed
- Norma K. Jauregui – Appointed, Chair
- Jose Landeros – Appointed, Secretary
- Carl Armstrong – Safety Member, Vice Chair
- David H. Prince – Retiree Member
- VACANT – Appointed

- Jennifer Benavidez – Safety Member (Alternate)
- Argelia "AJ" Gaddis – Retiree Member (Alternate)

Second Seat-General Elected Member, Patricia Lizarraga, has decided to retire from the Board of Retirement (effective at the end of March) and begin a new chapter in her life, spending time with family and spoiling her grandchildren. Patricia's departure is indeed bittersweet, and she will be missed as an important part of the organization in both her service to the Board and her representation on the County General Member group. We all wish Patricia the very best in her future adventures.

IMPERIAL COUNTY - CONTINUED

Third Seat-General Elected Member, Enrique Alvarado, will be running for a second term in the upcoming June Elections. Enrique has been a quick study in his short time on the Board we look forward to him rejoining the dais come July.

STAFF

ICERS welcomed Joel Martinez as Retirement Specialist I, further strengthening administrative operations and member service capacity. Joel comes to ICERS with a great deal of experience with his time at the County Human Resources Department and has already proved to be a vital part of ICERS' Team. Welcome aboard, Joel!

BENEFITS

The Board of Retirement recently approved a 2.5% COLA for ICERS' retirees. 2% of the increase will be effective on April 1st while the remaining 0.5% will be banked for future use. The COLA was determined by comparing the annual average CPI for the West Region for the past two years. This figure resulted in a percentage change of 2.67% which was rounded to the nearest one-half percent per ICERS policy.

PENSION ADMINISTRATION SYSTEM (PAS) UPDATE

Contracts for ICERS' new PAS, developed by Partner, Heywood Limited, were officially signed on March 27th.

Both Teams, along with ICERS PAS Consultant - Linea Solutions officially kicked off the project on March 25th and, by the time of this reading will have completed their first week of Discovery sessions which include process mapping and calculation workflow.

ACTUARIAL SNAPSHOT (AS OF JUNE 30, 2025)

Actuarial Accrued Liabilities \$1,378,997,000
Market Value of Assets (MVA) \$1,308,838,000
Valuation Value of Assets (VVA) \$1,283,817,000
Funded percent based on MVA 94.9%
Funded percent based on VVA 93.1%
Membership: 2,358 Active; 1,494 Retired; 906 Deferred
Average Contribution Rates: 21.28% (ER) and 13.07% (EE)

INVESTMENTS

In February, as part of ICERS' recent annual Asset Allocation review and upon recommendation from its Investment Consultant - Verus, the Board committed to staying the course with regard to its current asset mix. As of April 30, 2026, ICERS' total portfolio is reporting a fiscal year-to-date return of 11.22% with assets under management sitting at \$1.433 billion.

KERN COUNTY

LEGAL UPDATES

KCERA has made training the primary goal for its Legal Team this year. The Legal Team developed an annual training plan for staff and delivered education on documentation, confidentiality, privacy, and travel reporting. KCERA's stakeholders and employers also recently received information about KCERA's unique application of PEPRA, as the only CERL system allowed to retain its 12/31/2012 benefit tier after PEPRA. In the latter half of the year, the Team will focus on updating the Member Handbook to reflect changes in applicable laws and regulations.

BOARD OF RETIREMENT ELECTION

KCERA added two new Trustees and one returning alternate following an election in October 2025 for the Third General Member, Retired Eighth Member, and Retired Eighth Alternate

Member seats of the Board of Retirement, elected by general and retired members of KCERA. We welcome **Rocio Mosqueda**, **Jeff Frapwell**, and Robb Seibly to the Board, whose terms of office will end on December 31, 2028. This was KCERA's first time fully administering an election internally, utilizing a third-party administrator. The new election format included both mail-in paper ballots and online voting, allowing easier access for members to vote, increasing voter turnout from 6% to over 15%.

KCERA'S INAUGURAL POPULAR ANNUAL FINANCIAL REPORT (PAFR)

Staff created KCERA's first PAFR, a reader-friendly summary of the Annual Comprehensive Financial Report (ACFR). This report highlights the financial health of our retirement system—including investment results, plan funding status, membership, and the

KERN COUNTY - CONTINUED

services we provide to support Kern County's public servants in an easy-to-understand format.

SERVICE CREDIT CALCULATION UPDATE: FULL-TIME MEMBERS

The KCERA Board of Retirement approved changes, on a go-forward basis effective July 1, 2026, to how retirement service credit is calculated for full-time members who take unpaid time off. This change aligns full-time members with the calculation used for part-time members—service credit and contributions that are proportional to actual earnings.

UPDATE TO NORMAL RETIREMENT AGE

The Board also approved an update to KCERA's IRS-defined "Normal Retirement Age." This does not change when members

can retire or benefit calculations. The update applies only to limited post-retirement reemployment situations under federal tax rules. The change ensures continued IRS compliance and protects KCERA's tax-qualified status.

COMMUNICATIONS & OUTREACH INITIATIVES

KCERA continues to strengthen stakeholder engagement, highlighted by our third annual Stakeholder Summit held in March. Plan Sponsors and Labor Groups were invited to KCERA's office for a focused, in-depth training session featuring presentations from executive leadership. The summit delivered targeted, practical insights designed to meet the specific needs of our stakeholders and support informed decision-making.

LOS ANGELES COUNTY

BOARD NEWS

In January, LACERA welcomed Trustee Ernesto Pantoja to the Board of Retirement and Trustee Trevor Fay to the Board of Investments. Both were appointed by the Board of Supervisors for three-year terms running from January 1, 2026 through December 31, 2028.

Trustee Pantoja is new to the Board, but brings nearly two decades of experience in government affairs and labor relations. He currently serves as the Special Projects Agent for Laborers Local 300, where he directs political affairs, provides business development support, and coordinates workforce development opportunities. Trustee Pantoja earned a B.A. degree in Political Science from Loyola Marymount University and a Juris Doctor degree from Loyola Law School, Los Angeles.

Trustee Fay was first appointed to the Board of Investments in 2024 to fulfill a partial term and has since been appointed for the 2026–2028 term. Trustee Fay is an investment professional, entrepreneur, and innovator, with extensive expertise in real estate, alternative investments, capital markets, impact and ESG measurement, and financial analysis. He holds a B.A. in American Studies from Occidental College and an MBA from the University of Chicago Booth School of Business.

STAFF, OPERATIONS, AND MEMBER SERVICE NEWS

Updates From Luis A. Lugo, Chief Executive Officer

TEAM UPDATES

Hello, SACRS members, I'm pleased to provide my first update as LACERA CEO. We've had significant changes in leadership in the last several months, including the retirement of CEO Santos H. Kreimann at the end of 2025 and my subsequent appointment in February 2026 after several months as Acting CEO.

We thank Santos for his six years of transformative leadership, which included: guiding the organization through the COVID-19 pandemic, launching the 2023–2028 strategic plan, and restructuring operations to improve service, enhance security, and support fund sustainability, among other accomplishments.

We've had some other service retirements at the top of the organizational chart, including Assistant Executive Officer Laura Guglielmo, Chief of Internal Audit Richard Bendall, Chief of Quality Assurance Bernardo Buenaflor, and Disability Litigation Chief Counsel Vincent Lim, in addition to several LACERA staff members with decades of service. We thank them for their contributions and wish them all the best!

In March, LACERA's boards appointed Leisha Collins as Chief of Internal Audit following the retirement of Richard Bendall. Leisha

LOS ANGELES COUNTY - CONTINUED

has 25 years of experience at LACERA, having served for 10 years as Principal Internal Auditor and another 15 years as Senior Auditor. Prior to LACERA, she spent six years with the Los Angeles County Auditor–Controller. Leisha also serves on the SACRS Audit Committee.

ETHICS & COMPLIANCE PLAN AND PROGRAM ROLLOUT

LACERA is in the execution phase of its Ethics & Compliance Plan and Program, which is designed to ensure adherence to ethical standards and established processes, procedures, policies, and governing rules and regulations.

We have completed more than half of our milestones for this initiative, including establishing an Ethics and Compliance Committee, drafting new policies, creating a policy management central library, developing a staff culture action plan (more on this below), and conducting in-house training. We are also creating a new Ethics and Compliance Division and will be recruiting this calendar year for newly created position of Chief Ethics Compliance Officer.

BUILDING A CULTURE OF EXCELLENCE AND ENGAGEMENT

As part of the ethics and compliance initiative as well as my new responsibilities as CEO, I have been conducting all-staff sessions and meeting one-on-one with LACERA's divisions to establish ongoing dialogue and to reinforce the alignment of our culture to our values of accountability, collaboration, inclusivity, innovation, integrity, and transparency.

Our ongoing sessions complement our 2025 employee engagement survey findings and focus groups, which identified critical themes to be addressed in achieving our strategic priority of investing in people, as well as our ethics and compliance goals.

Based on focus group recommendations, we created a culture action plan, and in 2026 completed the following concrete actions to build trust and inclusivity across the organization:

- Specified leadership expectations and strengthened our code of ethical conduct
- Initiated education and training around accountability and leadership behaviors
- Started development of a structured leadership program to include individual, supervisor, and manager tracks, as well as hands-on growth opportunities such as job shadowing and expanded assignments

Our action plan is guided by a continuous improvement cycle—listening to feedback, analyzing insights, acting on recommendations, and measuring outcomes. To ensure sustained progress, LACERA will benchmark our 2025 and 2026 actions against actual staff experience in January 2027, concluding the current cycle and beginning the next one.

MEMBERSHIP UPDATE: RETIREE SEASON DRAWS TO A CLOSE

LACERA just finished up our busy retirement season, helping 1,109 members retire in March 2026. The number of retirements is nearly identical to last year and a slight increase over 2024.

CONNECT WITH US ON SOCIAL MEDIA

LACERA has been ramping up its social media efforts over the last several months, allowing us to communicate directly with our members and public service community. We invite our SACRS colleagues to engage with us! Follow us by typing "LACERA" on Facebook or LinkedIn, or @LACERA on Instagram.

INVESTMENT NEWS

From Jon Grabel, Chief Investment Officer The market value of LACERA's pension fund (the Fund) as of January 1, 2026, was \$90.1 billion, with a net return for the calendar year of 12.2 percent. The fund has continued to perform consistently across varying market cycles, generating net returns of 8.6 percent over five years and 9.2 percent over ten years, outperforming its benchmark returns in the three-, five-, and ten-year periods.

The investment environment for 2026 faces a range of macroeconomic conditions due to geopolitical uncertainty and continued pace of development in artificial intelligence. In every case, the Board of Investments remains committed to executing its investment strategy. As part of this strategy, LACERA deploys the strategic asset allocation framework, adopted by the board in 2024, and maintains diversification in the investment portfolio, to achieve durable investment returns over the long term.

LACERA's 2026 Strategic Framework and Initiatives continue to aim for best-in-class practices, applying a principles-based investment approach that continues to be supported by robust governance practices and a continuous commitment to improvement and learning. In January, the Board approved the 2026 Framework, which enables LACERA to adapt to a range of market conditions.

LACERA continues to make efforts to advance its strategic initiatives: enhancing operational effectiveness, optimizing the investment model, maximizing ownership rights and effective

LOS ANGELES COUNTY - *CONTINUED*

stewardship, strengthening influence over fees and cost of capital, and advancing the T.I.D.E (Towards Inclusion, Diversity and Equity) initiative. Combined, LACERA's approach improves our ability to ultimately fulfill its mission.

LACERA remains steadfast in its mission to produce, protect, and provide the promised benefits to its members, maintaining a disciplined focus on optimizing asset allocation and advancing its strategic initiatives.

MARIN COUNTY

BOARD

The Board is currently chaired by Appointed Member Todd Werby, with Appointed Member Daniel Vasquez serving as Vice Chair and Elected Member Kelsey Poole as Secretary.

INVESTMENTS

In December, the Board approved a 5% target allocation to private credit. The total commitment when funded is expected to be approximately \$150 million. The commitment will be allocated 60% to direct lending and 40% to asset-based lending using an Evergreen strategy. Also in December, the Board approved an additional \$60 million commitment to Abbott Capital Managements AP 2026 fund. This commitment represented the final portion of the previously authorized \$120 million allocation to private equity for 2026.

ADMINISTRATION

In December, MCERA released its first Annual Comprehensive Financial Report (ACFR), consolidating financial, investment,

and actuarial funding information into a single, comprehensive document.

In February, the Board adopted the actuarial valuation as of June 30, 2025. The plan's unfunded liability decreased by approximately \$138.2 million, from \$285.0 million to \$146.8 million, with the plans funded ratio improving from 92.1% to 96.1%.

Linea Secure completed their second full cyber security risk assessment of MCERA's business systems, networks and policies and procedures. Results of the assessment were present to MCERA's Finance and Risk Management Committee in Closed Session.

BENEFITS

MCERA retirees have cost of living adjustment (COLA) caps of 2%, 3% or 4% depending on retirement tier. The actuary calculated a 2.0 COLA based on the increases in the Consumer Price Index for All Urban Consumers (CPI-U) in the San Francisco-Oakland-San Jose area.

MENDOCINO COUNTY

IN MEMORIAM

MCERA is saddened to announce that its first Retirement Administrator, James (Jim) Andersen, died March 22, 2026. Jim's career in public service spanned over 25 years. He served as the County Administrator for Mendocino and Sonoma counties before serving at MCERA. During his tenure as MCERA's first Retirement Administrator, Jim provided steady leadership through the Great Financial Crisis from 2008 through 2012. In 2020, Jim was elected to, and served 3 years, on MCERA's Board of Retirement. In addition to his service with Mendocino County and MCERA, Jim served on numerous local boards including the Adventist Health Ukiah Valley Community Board, the Sonoma/

Mendocino Counties Red Cross, and North Coast Opportunities. Jim's passing is a significant loss to MCERA and the greater Mendocino community.

BOARD MEETINGS AND BOARD MEMBERS:

The Safety Member 7th Seat remains vacant! The elected Safety Member whose term was to commence on December 1, 2025 unexpectedly retired before assuming office, leaving the Seat vacant. The Seat remains vacant with the declaration period open until a member declares.

At the January 2026 meeting, Retired Member, Richard Shoemaker, stepped down prior to the end of his term. A special

MENDOCINO COUNTY - CONTINUED

election was held on April 10th and Vincent Lechowick, Retired Superior Court Judge, will be sworn in at the May meeting.

In February, the Board held a full day Educational Offsite with MCERA's investment consultant and actuary presenting on maturity and sustainability. At the March Retirement Board meeting, Cheiron was selected as MCERA's actuary in response to the RFP issued in January.

PORTFOLIO PERFORMANCE:

In October, the Board selected the Kayne Anderson Alternative Core Real Estate strategy to supplement our current real estate manager roster of RREEF, LaSalle, and Barings (to be closed). The roughly 3% target allocation was two-thirds funded by April 1, 2026.

Investment returns for calendar year 2025 were strong with total portfolio performance of 17.19% vs a benchmark of 16.20%. The

three-year return was 12.76%, the five-year return was 7.44%, seven-year return was 10.37%, and the ten-year return was 8.95%. Importantly, the long-run annual rate of return (15-year return) is 8.28%, just below the benchmark return of 8.33%, earning a ranking in the 20th percentile of the peer group, per our investment consultant Callan's Public Funds Database. At the end of December 2025, the total asset value of the trust fund was just under \$856 million.

STAFF UPDATES:

In November, MCERA welcomed Chris Anton, Retirement Accountant. We're glad to have Chris onboard!

In March, Retirement Specialist, Nora Morgan attended the NCPERS Communications Summit in San Diego. Nora found the Summit to be very informative and full of useful resources.

MERCED COUNTY

NOT AVAILABLE AT TIME OF PRINT

ORANGE COUNTY

HALF THE OCERS BOARD RETURNS!

With only one alternate Trustee, Safety Member Jeremy Vallone, OCERS has one of the smallest Boards among the CERL systems - a total of TEN trustees.

In early 2025 we noted that we were facing the possibility of having HALF the Board turn over at the start of January 2026. Two elected members were running for a new three year term (Trustees Adele Lopez Tagalao and Richard Oates), and three of our four appointed members were up for reappointment to new three year terms of their own (Trustees Shawn Dewane, Arthur Hidalgo, and Chuck Packard). With two multi-year projects starting in 2026 - a new Pension Administration System AND beginning the construction of a new Headquarters building, the continuity of our long serving Board was vitally important.

I'm happy to report that as expected both Ms. Lopez Tagalao and

Mr. Oates were reelected by our membership.

And special thanks to the Orange County Board of Supervisors who heard our case for continuity and reappointed Trustees Dewane, Hidalgo and Packard.

We're already looking ahead to January 2029 when we will once again face at least the possibility of losing half of our Board of Retirement Trustees in one fell swoop, and beginning to plan now for how best to situate the agency and our mission were that to occur.

OCERS DEPUTY DIRECTOR

On May 1, Ms. Brenda Shott, OCERS Assistant CEO of Internal Operations for nearly 15 years, became OCERS first Deputy Director in more than two decades. With CEO Delaney making noises that in 2029 he is likely to choose retirement, the OCERS Board took proactive action by creating a Deputy Director

ORANGE COUNTY - CONTINUED

position, and placing Ms Shott in that position, giving her oversight of the Member Services Division for the first time. This gives them the opportunity to see Ms Shott in action for several years, and thus providing them with TWO options when Mr Delaney departs - make a direct appointment (as was recently the case with Mr Lugo at LACERA - congratulations Luis!) or choose to undertake a national search.

THE INVESTMENT TEAM

OCERS' Investment Committee recently launched its triennial asset allocation study. We expect that process to conclude by end of Q2 2026. Additionally, OCERS have completed the onboarding of two AI-driven platforms, Mosaic and Verifees. Mosaic uses AI and rules-based automation to quickly build and analyze financial models, allowing the team to evaluate deals and make faster, data-driven co-investment decisions, while Verifees provides LPs with automated, independent verification of GP fees and economics.

NEW HEADQUARTERS BUILDING

We're excited to share continued progress on our new headquarters project. The planned three-story, 70,000-square-foot building will be constructed on the lot adjacent to our current location, keeping us close to home while providing much-needed space and modern upgrades. The project has advanced from design and pre-construction activities into active site work. We achieved key milestones including Board approval of the Guaranteed Maximum Price in December 2025 and issuance of the notice to proceed, followed by abatement and demolition in early 2026. A groundbreaking ceremony was held on April 15, 2026, marking a significant milestone for the project. Grading is currently underway with other ongoing efforts including finalizing building permits, advancing utility coordination, and furniture planning. We are still aiming to move into our new building in late 2027!

AI ADVANCEMENTS

OCERS continues to advance responsible AI adoption through stronger governance and practical pilots. Over the past several months, we refined and rolled out OCERS' Artificial Intelligence Policy and supporting guidelines, and continued convening the Multi-Employer AI Roundtable to share lessons learned on emerging use cases, risks, and controls. OCERS also progressed AI proof-of-concept, focused on improving staff productivity and strengthening data and security readiness for future automation, while maintaining a people-first approach that uses efficiencies to address vacancies through attrition rather than layoffs.

OCERS HORIZON: PENSION ADMINISTRATION SYSTEM MODERNIZATION

The Orange County Employees Retirement System (OCERS) is pleased to announce the execution of a contract with Majesco for the procurement and implementation of V3locity, a modern, cloud-based pension administration system (PAS) that will replace our legacy V3 platform, which has been in service for over a decade. This milestone is a core component of the OCERS Horizon project—a multi-year modernization initiative aligned with our Vision 2030 strategic plan—and was unanimously authorized by the Board of Retirement on April 20, 2026. The contract was fully executed in late April 2026 following a thorough and collaborative negotiation process that addressed both the Statement of Work and the Master Services Agreement, with a strong emphasis on risk clarity, governance, and execution discipline. Implementation is set to kickoff on June 1, 2026, and the V3locity solution will deliver end-to-end support for the full member lifecycle, configurable business rules, integrated document management, workflow automation, and enhanced member and employer self-service capabilities—ultimately strengthening how OCERS serves our members and stakeholders for years to come.

SACRAMENTO COUNTY

CONTRIBUTION RATES DECREASE AS FUNDED STATUS IMPROVES

Employer contribution rates to SCERS will decrease in 2026-27 year as the pension fund continues to strengthen.

The reduction will mark the fourth year in a row of lower pension contributions due to larger-than-expected investment gains. The pension fund beat its investment target of 6.75% in the recent 2024-25 fiscal year, finishing with a 10.8% investment return.

SACRAMENTO COUNTY - CONTINUED

At its December 2025 meeting, the SCERS Board adopted contribution rates for the next fiscal year that begins July 1, 2026. The aggregate employer contribution rate will decrease by 1 percentage point of payroll to 27.52%. Employee contribution rates will remain relatively stable, decreasing on average by 0.05 percentage points. The specific rates vary by employer and retirement tier.

Overall, the long-term funding outlook for SCERS improved; SCERS ended the 2024-25 fiscal year with a funded status of 93.5%, an increase from the prior year's 88.7%. The fund balance was \$14.6 billion as of June 30, 2025, and has continued to grow to more than \$15 billion today.

BOARD UPDATES

The Sacramento County Board of Supervisors appointed Cyril Shah to the SCERS Board for a three-year term that began January 1, 2026. Mr. Shah is the president of Shah Wealth Management and a financial advisor for the global financial services firm Raymond James.

Tepa Banda was re-elected as a Miscellaneous representative on the SCERS Board for a three-year term that began January 1, 2026. Mr. Banda is the director of finance for the Sacramento

Area Sewer District.

STRATEGIC VISION PLAN

SCERS has published its Strategic Vision Plan to 2041, "The Centennial Blueprint," that outlines how the system will continue to be a reliable retirement partner as it reaches its 100th anniversary. It's a roadmap for how SCERS will evolve, modernize, and strengthen services, while staying true to the mission that has guided it since 1941.

SCERS began the Strategic Vision Plan project last spring by surveying members, employer representatives, SCERS' consultants, staff, and Retirement Board members to understand strengths and identify areas for improvement. The feedback was incorporated into the plan, focusing on long-term challenges and opportunities across financial, demographic, and operational issues.

Last November, the Board of Retirement adopted the plan that lays out our priorities for the years ahead, with a focus on member education, digital tools, and services. The plan also reinforces SCERS' role as a trusted guide across all career stages, to support member confidence and financial well-being through retirement.

SAN BERNARDINO COUNTY

BOARD OF RETIREMENT NEWS

In December, SBCERA held an election for two seats on the Board of Retirement. Once again, our members had the option of submitting a ballot or making their choice through a secure, online balloting system.

Louis Fiorino was re-elected to serve as the General Member Trustee, and Gary McBride was elected to serve as the Alternate Retired Member Trustee. Incumbent Retired Member Trustee Dawn Stafford was unopposed, and the San Bernardino County Board of Retirement declared her the winner of the uncontested election in October.

Additionally, the Board of Supervisors appointed former Alternate Ex Officio Member John Johnson – who retired in December – to serve as an Appointed Member Trustee. Parth Bhatt, Chief Deputy Treasurer for the Treasurer Division of the San Bernardino County Auditor-Controller/Treasurer/Tax Collector's Office, was

appointed by the Ex-Officio Member to serve as his Delegate.

In January, the Board of Retirement elected Trustee Jean-Rene Basle to serve as Board Chair and Trustee Neal Waner to serve as Vice-Chair.

SBCERA'S BOARD OF TRUSTEES

- Jean-Rene Basle – Appointed Member – Chair
- Neal Waner – Appointed Member – Vice-Chair
- Marc Bracco – Elected Member
- Louis Fiorino – Elected Member
- Ensen Mason – Auditor-Controller/Treasurer/Tax Collector – Ex Officio Member
- Dawn Rowe – Appointed Member
- Dawn Stafford – Elected Member
- Matthew Erickson – Elected Member
- Gary McBride – Elected Member –Alternate
- John Johnson – Appointed Member

SAN BERNARDINO COUNTY - CONTINUED

- Jared Newcomer – Elected Member – Alternate
- Parth Bhatt – Ex Officio Delegate

CHIEF INVESTMENT OFFICER DONALD PIERCE ANNOUNCES RETIREMENT AFTER 25 YEARS OF SERVICE

SBCERA's Chief Investment Officer Donald Pierce announced he plans to retire in late 2026 following 25 years of dedicated service to SBCERA and our members. Throughout his tenure, Pierce has played a pivotal role in strengthening SBCERA's investment program and advancing the long-term financial security of its members. Under his leadership, SBCERA introduced international private equity, emerging market debt, and option strategies into the plan's investment mix and implemented a new fund rebalancing methodology designed to support long-term performance through varying market conditions. "Donald's impact on SBCERA cannot be overstated," said Debby Cherney, Chief Executive Officer of SBCERA. "Over the past 25 years, he has helped modernize and diversify our investment program while building a deep, highly capable team. His leadership, discipline, and long-term perspective have positioned SBCERA well for the future, and we are grateful for his service to our members." When Pierce became Chief Investment Officer in 2010, SBCERA's investment portfolio was valued at approximately \$5.1 billion. As of December 2025, the portfolio has grown to more than \$17 billion, reflecting both long-term strategic discipline and effective investment oversight. Pierce has also focused on building a strong internal investment team, emphasizing mentorship, continuity, and institutional knowledge.

"It has been a privilege to serve SBCERA and its members," Pierce said. "I'm proud of the investment program we've built, the strategies we've thoughtfully introduced, and—most importantly—the talented team that will carry this work forward. I have great confidence in SBCERA's future and in the next generation of investment leadership."

THOMAS KIM SELECTED AS DEPUTY CHIEF INVESTMENT OFFICER

Thomas Kim has been selected to serve as our Deputy Chief Investment Officer. This is a newly created role designed to support the long-term leadership and succession planning of our investment program. Thomas joined SBCERA in 2020 as an Investment Officer and was promoted to Senior Investment Officer in July 2023. During his time with SBCERA, he has played a key role in overseeing manager relationships, evaluating new

and existing investment opportunities, and supporting the implementation of our asset allocation framework and overall portfolio risk management.

"I'm grateful for the opportunity to serve SBCERA and support the long-term financial security of our members and beneficiaries," Thomas said. "I look forward to building on the strong foundation of our investment program and continuing to work alongside our talented investment team, leadership, and Board to support SBCERA's mission."

In his new role, Thomas will help lead the execution of our investment strategy and work closely with our Chief Investment Officer Donald Pierce and the broader investment team to ensure continued strength and continuity in our investment operations.

"Thomas has earned the respect of our trustees and investment team through his insight, discipline, and steady leadership," said Debby Cherney, Chief Executive Officer of SBCERA. "He knows our investment program well and his work reflects the analytical rigor, transparency, and clear communication that are essential to strong fiduciary governance. I have great confidence in Thomas and our very capable investment team."

SBCERA LAUNCHES EMPLOYER REPORTING INITIATIVE

Our team continues to make steady progress on the Employer Reporting Initiative, supporting employers as they transition to new reporting requirements. This initiative which aims to standardize employer data reporting to decrease risk to SBCERA and increase the service level to our members.

Since the launch in February, we have prioritized education and partnership through group meetings, formal trainings, and one-on-one support, reinforcing employer understanding of reporting standards and cybersecurity expectations.

Looking ahead, additional live training will be offered at our next Employer Forum on June 10 at our office to promote consistent, accurate reporting and support SBCERA's commitment to effective communication and prudent fiscal management.

"A small reporting error today can compound into significant impacts on a member tomorrow," Chief Financial Officer Amy McInerney said. "By modernizing how data is submitted, validated, and reviewed, we're helping ensure our participating employers get it right the first time, while strengthening the long-term integrity of the system for everyone we serve."

SAN BERNARDINO COUNTY - *CONTINUED*

AWARDS AND APPOINTMENTS

Deputy Chief Investment Officer Thomas Kim and Senior Investment Officer Jake Abbott were recognized as part of the 2026 Next Elite by Markets Group. This distinguished honor highlights senior investment professionals nominated by Chief Investment Officers for their skill, judgment, and leadership potential to step into future CIO roles, reflecting a strong vote of confidence in those helping shape the future of institutional investing. The Next Elite recognizes professionals who are not only navigating today's complex markets but also helping define what comes next for the industry.

Senior Investment Officer Amit Thanki was appointed to the Investment Diversity Advisory Council (iDAC) Board in recognition of his investment leadership and experience across public and private markets. In this role, he will contribute to advancing diversification, governance, and long-term value in the institutional investment community. Senior Communications Specialist Jalel Braden was named the Public Pension Communicator of the Year Rising Star by the National Conference on Public Employment and Retirement (NCPERS). Braden has played a key role in rethinking how SBCERA connects with members and stakeholders, creating communications that are clearer, more engaging, and more human-centered. Her passion for retirement education helps empower our members to make confident and informed decisions about their financial futures. Communications

Specialist, Cameron Amano was named the Young Professional of the Year by the Public Relations Society of America Inland Empire Chapter. This award recognizes emerging public relations professionals who demonstrate strong commitment to the profession and the community, and who show the potential to be among the next generation of leaders. Cameron has leveled up our creative work and continues to push forward innovation whenever possible. Her dedication, creativity, and leadership reflect the spirit of service we strive to uphold at SBCERA every day.

Our Communications Team earned two Capella Awards from the Public Relations Society of America Inland Empire Chapter for the "We Are SBCERA" video series. The series was recognized in Tactics: Audio Visual: Long-Form Video and in Campaigns: Community Relations. These short videos highlight the people and purpose behind SBCERA, helping members and employers better understand the value and real-world impact of the benefits the retirement system provides.

The Government Finance Officers Association (GFOA) awarded SBCERA top honors for the 2024 Annual Comprehensive Financial Report. For the 28th year in a row, SBCERA has received GFOA's Certificate of Achievement for Excellence in Financial Reporting. We also received the Award for

Outstanding Achievement in Popular Annual Financial Reporting for our 2024 Popular Annual Financial Report.

SAN DIEGO COUNTY

SDCERA WELCOMES NEW CEO

The SDCERA Board of Retirement appointed David Kim as the new SDCERA Chief Executive Officer.

Mr. Kim comes to SDCERA from the Orange County Employees Retirement System (OCERS). He joined OCERS in 2018, bringing over 20 years of experience from top Fortune 50 companies. He assumed the role of Assistant CEO of External Operations in 2024, having served nearly six years as the Director of Internal Audit at OCERS.

BOARD OF RETIREMENT

The San Diego County Board of Supervisors selected Larry Cohen as the County Treasurer-Tax Collector, so Mr. Cohen joined the

SDCERA Board in November. After a Board election the same month, Pamela Murphy-Paredes was elected to be the active safety trustee, and Daniel Harward was elected to be the alternate safety trustee.

SDCERA is holding an election in May to fill the following seats:

- Active general trustee
- Retired trustee
- Retired alternate trustee

INVESTMENT RETURNS

SDCERA reported a fiscal year-to-date return of 11.1% as of February 28, 2026. SDCERA's assets under management were \$22.3 billion.

SAN DEIGO COUNTY - CONTINUED

MEETING OUR STRATEGIC GOALS

SDCERA staff have completed several initiatives laid out in the Annual Business Plan adopted by the Board of Retirement in June 2026. Recent accomplishments include:

- Became the first CERL system to implement a deferred

retirement option program (DROP) for safety members.

- Integrated ID.me, a third-party identity verification tool, into the SDCERA Member Portal.
- Upgraded the pension administration system, CPAS, to enhance the user experience and analytics.

SAN JOAQUIN COUNTY

SJCERA CELEBRATES 80 YEARS OF SERVICE

In 1946, the then Board of Supervisors for San Joaquin County adopted The County Employees Retirement Law of 1937 (CERL) under ordinance to establish the San Joaquin County Employees' Retirement Association. To celebrate our 80 years of service, we plan to hold a day of celebration and commemorate our impact as an organization.

BOARD OF RETIREMENT

The SJCERA Board of Retirement is currently holding their elections for the second and seventh seats. The successful candidates' terms begin July 1, 2026.

2025 RETURNS

SJCERA has hit a new milestone. As of December 31, 2025, SJCERA held \$5.2B in assets. In addition, with a successful net return of 11.5%, our preliminary funding status has increased from 76% funded to 82% funded.

IN MEMORY OF SERGEANT JASON WHELEN

We want to take a moment to honor the memory of Sergeant

Jason Whelen, not just one of our active safety members but the elected safety member holding the 7th seat on our Board of Retirement. While on duty Tuesday, February 24, Sergeant Whelen suffered a medical emergency; despite immediate and extensive efforts by fellow deputies and medical personnel, he tragically passed away.

The Sheriff's Office released a statement that portrayed him best: Sergeant Whelen was a proud husband and devoted father of four. He was known for his kindness, steady leadership, love of Jesus Christ, and infectious smile. He brought positivity to those around him and was someone who could always be counted on. He first joined our Board of Retirement in 2025 as our elected active safety member but quickly became known as a voice for all members of SJCERA. He held a true passion for the financial wellness of the people who served San Joaquin County. His quote during Retirement Security Awareness month:

"Employees show up to serve our community day in and day out, so the utmost care needs to be taken to work with them to build financial security and a fiscally strong retirement plan." He will be truly missed.

SAN MATEO COUNTY

BOARD OF RETIREMENT NEWS

SamCERA's Board officers are Kimathi Marangu, Chair (5th member); Sandie Arnott, Vice Chair (1st member), and Elaine Orr, Secretary (4th member).

The remaining members of the Board are Katherine O'Malley (2nd member), Laurel Finnegan (3rd member), Rachel Perkel (6th member), Alma Salas (8th member), and Kurt Hoefler (9th member). Al David is serving as Retiree Alternate, and April

Decarsky is serving in the Safety Alternate seat. Robert Raw, who was serving in the Safety Member, Seventh Seat, retired in March 2026 and a special election will be held on August 10, 2026 to elect a Safety member to serve the remaining term on that seat.

The next regularly scheduled SamCERA Board of Retirement election will be in 2027, when the General Member Second Seat, the Safety Member Seventh Seat, and the Safety Member Alternate Seat will be up for election.

SAN MATEO COUNTY - CONTINUED

STAFF NEWS

SamCERA is currently fully staffed with 23 full-time, regular employees. Most employees of the retirement system are working a hybrid schedule, with scheduled days in the office and working remotely from home. We also have filled two 3-year, limited term positions in our Information Technology and Retirement Benefits divisions. Finally, a recruitment is currently open for a part-time summer intern to support SamCERA's IT division.

Earlier this year, Chief Executive Officer Scott Hood retired after more than 25 years of service with SamCERA, and after a months long recruitment, SamCERA's Board of Retirement appointed Paul Okada as his successor. Paul has served as SamCERA's Retirement Chief Legal Counsel since 2021, overseeing the legal operations of the system, advising the Board of Retirement, and working with staff across the full spectrum of SamCERA's operations. Prior to joining SamCERA, Paul was a Chief Deputy in the County Attorney's Office where he supervised several legal teams and advised County leadership.

With Paul's transition to CEO, Dan Valim joined the SamCERA team as its new Retirement Chief Legal Counsel. Dan brings extensive experience in public law, leadership, and litigation management, ensuring continuity and strong legal guidance for SamCERA and our membership.

BENEFITS NEWS

The Benefits team is continuing to focus on increasing member educational opportunities. Two retirement seminars are scheduled for later this year, as well as on-site counseling opportunities for members.

INVESTMENT AND FINANCIAL NEWS

SamCERA's portfolio returned 13.7% net of investment manager fees for the calendar year ended December 31, 2025, underperforming SamCERA's policy benchmark return of 14.5% by 0.8%, but higher than SamCERA's assumed earnings rate of 6.25%.

All four composites had positive returns for the calendar year. Growth was by far the best performing composite and returned 18.5%, while Liquidity returned 5.1% and was the lowest returning composite. Inflation Hedge returned 7.4%, while Diversifying returned 6.6%.

SamCERA's total market value was \$7.622 billion as of December

31, 2025, an increase of \$481 million from June 30, 2025.

FINANCE NEWS

The Finance Division remains committed to advancing the following key initiatives:

1. Encourage a culture of continuous learning through cross-training and on-the-job experience.
2. Optimize financial processes through automation and improved workflows.
3. Strengthen internal controls to address new risks and changing circumstances.
4. Streamline document management by adopting new technologies.

TECHNOLOGY NEWS

The IT division continues to advance SamCERA's technology efforts through infrastructure improvements, cybersecurity enhancements, and strategic system initiatives designed to support operational efficiency, resiliency, and member service delivery.

A major focus this year has been the Pension Administration Software System modernization project. SamCERA issued a Request for Proposal (RFP) for a new Pension Administration Software System (PASS) that will modernize and streamline core pension administration operations through enhanced automation, centralized workflows, improved reporting capabilities, and stronger compliance and audit functionality. The project represents a significant milestone in SamCERA's long-term digital transformation strategy.

On the infrastructure side, SamCERA is actively implementing several foundational technology upgrades focused on improving security and reliability. This includes ongoing evaluation and planning efforts related to cloud infrastructure and enhanced disaster recovery capabilities.

The IT division also remains focused on workforce development and talent cultivation. This summer marks the second consecutive year SamCERA will host a Summer IT Intern, providing hands-on experience and mentorship opportunities while supporting ongoing technology initiatives and operational projects.

Other recent accomplishments across the organization include:

- Expanded adoption and implementation of Box for secure

SANTA MATEO COUNTY - CONTINUED

collaboration and digital records management; and

- Ongoing support and improvements to multi-factor authentication (MFA) protections for the member portal and mobile app.

The IT division remains committed to delivering secure, efficient technology solutions that support SamCERA's mission and long-term operational goals.

COMMUNICATIONS

SamCERA continues to focus on improving communication, accessibility, and security for our members and stakeholders.

One of the most visible changes this year is the transition of SamCERA email addresses from .org to .gov. This update aligns with our move to the official samcera.gov domain and supports broader government cybersecurity and trust initiatives. Using a .gov email address helps members easily identify legitimate SamCERA communications and provides additional confidence that emails and online resources are coming from an official government source.

We also continue to enhance the new website, member portal, and mobile app based on member feedback and usage trends. Ongoing improvements are focused on enhancing the user

experience, including streamlined navigation and visual design elements to improve readability.

As part of our ongoing member education efforts, SamCERA continues to provide information and reminders about cybersecurity best practices and fraud prevention. These communications help members recognize phishing emails, protect personal and retirement account information, and safely access online services. Educational messaging is shared through the website, newsletters, and email communications.

In addition, SamCERA is working toward strengthening digital accessibility and usability for all users. We remain committed to making steady progress in this area and are actively reviewing website content, documents, and online tools to comply with accessibility standards, ensure usability with assistive technologies, and follow accessibility best practices. These efforts are intended to ensure all members and stakeholders can access retirement information and services as easily and effectively as possible.

As we move forward, the Communications division will continue evaluating opportunities to improve engagement, strengthen member communication, and support secure, accessible access to retirement resources for all SamCERA members.

SANTA BARBARA COUNTY

ADMINISTRATION & OPERATIONS

SBCERS has continued advancing strategic initiatives focused on process improvement and technology modernization.

In March 2026, Safety Trustee Paul Uhl retired from the County of Santa Barbara, resulting in a vacancy on the Board of Retirement. A Special Election for the Safety Seventh Member vacancy is underway, featuring a fully electronic ballot. Regular Elections of the General Third Member, Retired Eighth Member, and Alternate Retired Eighth Member, begin in July.

Operationally, SBCERS continues to refine and automate core workflows, including retirement counseling, service purchases, death reporting, reciprocity requests, and new member onboarding. This includes standardizing member forms to support paperless service delivery, reducing reliance on protected

information, developing applications to automate workflows and improving management reporting.

Additional internal initiatives included rollout of a Data Loss Prevention Policy and the introduction of a third-party Ethics and Compliance Hotline. The organization has also been preparing for long-term continuity through strategic technology and data planning associated with the County's transition to a new Workday Payroll system. This has included an initiative to assess business requirements for a future data warehouse that will archive legacy payroll data and provide a platform for automation and artificial intelligence capabilities.

Staff are also redesigning the SBCERS website and Member Portal to enhance accessibility in alignment with WCAG standards and preparing for a transition to the .gov domain.

SANTA BARBARA COUNTY - CONTINUED

MEMBER SERVICES

Member Services has experienced a strong service demand driven by the April 1 Cost-of-Living Adjustment retirement cycle and an aging active membership. Virtual and in-person pre-retirement workshops continued to see strong participation, with more than 230 members (5% of our active membership) registering for one recent virtual session alone.

The division has continued improving internal processes by underwriting procedures for Final Average Salary calculations, and implementing standardized procedures for member counseling. We are also expanding direct deposit functionality to include lump sum payroll, and improvements to the prenote process in order to allow for a longer correction period. Staff also supported implementation of a new third-party health insurance administration system for Superior Court retirees. Accounting and Member Services are collaborating on implementation of ACH debit capabilities for self-payment of health insurance premiums beginning July 2026.

INVESTMENTS

Since the Fall Conference, the team completed a Core Fixed Income transition into the Fidelity Broad Market Commingled Investment Trust and revised equity and fixed income allocations to the Other-Post Employment Benefits (OPEB) Fund. The team also completed the transition from the BNY Mellon High Efficiency Defensive Index strategy to the BNY Mellon Russell 1000 Index SL.

Additional investment activity included a Transition Manager search and operational initiatives focused on tax reclaim recovery and transition management. The investment team is currently undertaking a review of the System's investment policy and will soon begin a scheduled consultant RFP process for its General Investment Consultant. Long term strategic projects include studying potential portfolio construction changes, if any, as the System gets closer to full funding and the contribution reductions that are expected to result from the completion of amortization for losses dating to the 2008 Financial Crisis.

SONOMA COUNTY

RETIREMENT BOARD

We welcomed a new appointed Trustee, John Hadzess, to replace Joe Tambe who did not seek a reappointment. Travis Balzarini, who occupies a General member seat, was reelected, and Bob Williamson, who occupies an appointed seat, was reappointed, both for new terms beginning on January 1, 2026. The Retirement Board officers consist of Travis Balzarini, Chair, and Amos Eaton, Vice Chair, and our Investment Committee officers consist of Greg Jahn, Chair, and Erick Roeser, Vice Chair.

OPERATIONS

CERA hired a Sr. Office Assistant to replace a staff member that was internally promoted and a new Sr. Retirement Benefits Specialist to replace the retiring incumbent. We dual filled the Sr. Retirement Benefits Specialist so that the new hire was able to train with the retiring incumbent. We have another retirement coming up with our Accountant II and the recruitment is under way.

SCERA's Member Services Manager position is currently vacant with an internal recruitment under way. Once completed, this will necessitate another recruitment.

Our new Compliance Officer and Staff Attorney positions have been approved by the County's Civil Service Commission and by the Board of Supervisors and are ready for recruitment. We will recruit the Staff Attorney first. Both the Compliance Officer and Staff Attorney will be part of SCERA's management team and report to our Assistant CEO/Chief Legal Officer.

The County of Sonoma sponsored AB 1601 (Rogers) which provides Sonoma County with flexibility in designing an ad hoc Cost of Living Adjustment (COLA) for retirees. The bill provides the opportunity for the County to collaborate with SCERA to determine whether and how a COLA could be funded and identify the retirees eligible to receive it. Sonoma County did not adopt an automatic CPI driven COLA program, opting instead to provide COLAs on an ad hoc basis, which worked well until the Great Recession in 2008, which was the last time a COLA

SONOMA COUNTY - CONTINUED

has been granted. AB 1601 provides much needed flexibility to restore the collaboration that used to occur between the County and SCERA in evaluating how a COLA could be provided. The bill is currently working its way through the legislature.

INVESTMENTS

SCERA's Retirement Board elected to change the structure of our real estate portfolio, moving from a structure with two core managers to one with two core managers and one core plus manager. The total allocation to real estate stays unchanged at 10%. In the first quarter of 2026, two new funds were selected to complement the existing core investment in the JP Morgan Strategic Property Fund (SPF). Contingent upon negotiation of acceptable terms, the LaSalle Property Fund was selected for the second core account, and the Invesco US Income Fund was selected for the new core plus mandate. We are currently redeeming from another manager's core real estate fund, and we expect to commit capital to the two new funds in the second quarter with capital calls to follow. Over time, we plan to migrate

to a structure with the three continuing managers, JP Morgan, LaSalle and Invesco, being equally weighted.

In 2026 our consultant, Aon Investments, will conduct an Asset-Liability (AL) study for SCERA, which is something we do every three years. Initial AL analysis should be available in the third quarter and the results of potential alternative asset allocation scenarios in the fourth. Given the narrowing gap between expected Equity and Fixed Income returns, policy allocations on the margin could be impacted. Following completion of the AL study, and assuming the results do not materially impact our fixed income allocation, we plan to return to our project to restructure our Fixed Income portfolio. The principal anticipated change will be to replace one of our three core fixed income accounts with an eCore (extended core) mandate.

The Plan's net-of-fee returns through December 31st, 2025, were 17.7%, 13.0%, 9.5%, 9.2%, and 7.3% for 1, 3, 5, 10, and 20 years, respectively. For all listed periods, SCERA's returns are in the top 15% of Aon's peer universe.

STANISLAUS COUNTY

- Continuing to promote StanCERA Member Portal for electronic access to retirement information.
- Continuing with additional in-person member meetings. Meeting include: in person Pre-Retirement Seminars and Mid-Career Department level seminars. More involvement in County fairs and events offered to county employees.
- Completed or in the process of RFPs for General Counsel, Financial Audit and Actuarial Services.
- New StanCERA positions classified/hired:
Carmen Gusman - Retirement Deputy Director
Jamie Gingerich – Retirement Projects Administrator
Donna Wood - Retirement Benefits Manager
Alaine Taa - Administrative Services Officer
Zaya Ismail - Investment Assistant
- Working with Strategic Planning Committee to streamline 2026 Strategic Plan.

TULARE COUNTY

TRUSTEES

New faces can be found around the Board Room as of January.

Kevin Mizner is the newly elected retiree trustee. Those of you who have been around SACRS for a while may remember Mr. Mizner as TCERA's safety representative. His participation as a trustee ended in 2007 upon his retirement from active employment as a Sheriff's Captain. Since that time, he has stayed active with TCERA as the President of the Tulare County Retired Employees

Association (TCREA). His experience should make his transition back to a trustee a smooth one.

Frank Martin is a newly elected general member representatives on the Board. He is an Administrative Specialist with the Office of Emergency Services and a former employee of TCERA. He has a keen interest in all things retirement and will be a great addition to the Board.

TCERA has one vacancy for the appointed seat formerly held by

TULARE COUNTY - CONTINUED

Gary Reed, a long-time trustee, who retired from the Board in December. We look forward to the selection by the Board of Supervisors to complete the trustee roster.

INVESTMENT AND ACTUARIAL MATTERS

Good news on the investment front with TCERA's investment portfolio returning 10.2% for the fiscal year ending June 30, 2025. TCERA's investment consultant, Verus, reported the return, which handily exceeds TCERA's assumption rate of 7.0%, to the Board of Retirement as part of its Investment Performance Review at the September 24th Board meeting. TCERA continues to make progress in reaching its target allocations for direct Private Equity investing, Value Added Real Estate, and Opportunistic Real Estate investments as Verus builds out its discretionary mandate for these private markets.

The results of TCERA's June 30, 2025 actuarial valuation are in – TCERA's funded ratio on a market value basis remained nearly unchanged, moving from 83.4% to 83.6% while the funded ratio on an actuarial basis moved from 86.2% to 83.2%. Along with some minor demographic adjustments, the largest contributing factor to the change in funded status was the implementation of "Career Incentive Pay" that increased projected payroll. This change brings Tulare County in line with its peers in rewarding long-term employment. Absent this change, the plan would have seen improvement to its funded status.

ADMINISTRATIVE UPDATES

TCERA is progressing toward completing the changes necessary to fulfill its organizational structure goals. The addition of some staff and the realignment of duties will help TCERA better serve its members and meet internal goals for efficiency.

TCERA is also in the process of an upgrade to its Pension Administration System with CPAS. The update will provide TCERA with a contemporary look and feel as well as increased functionality for certain processes. One major goal of the upgrade is to implement automated workflow for TCERA benefit processes thereby reducing paper and increasing efficiency.

Finally, Leanne Malison retired from her position as TCERA's Retirement Administrator on April 1st. TCERA is pleased to announce that the Board of Retirement has appointed Paul Sampietro to take her place at the helm of TCERA. Paul has a number of years of experience working for Tulare County with a strong accounting background as a CPA. Paul was also an alternate trustee on the Board of Retirement for several years, which will be a benefit to his work with the Board in this new role. As TCERA's Assistant Retirement Administrator for the past three years, Paul also has in depth knowledge of the administration of TCERA's pension plan. By the time you read this, Leanne will be basking in the sun with a good book and Paul will be moving full speed ahead, propelling TCERA forward toward future goals and achievements. Please give Paul a warm welcome!

VENTURA COUNTY

DISABILITY PROCESS AND HEARING RULES

2025 Investment Performance. At the close of the 2025 calendar year, VCERA's investment portfolio had earned 15.04% (net of fees), with an ending fund value of \$9.7 billion. The 3-year, 5-year and 10-year returns were 13.28%, 8.89% and 9.62%, respectively.

Alameda Implementation. VCERA is working to complete Phase 1 of its Alameda implementation project, which includes performing recalculations of pensionable compensation and compensation earnable and employee contributions. Staff have begun the setup and initial tasks of Phase 2, in which VCERA will recalculate retirement benefits and process employee contribution refunds.

Financial Management System (FMS) Upgrade. VCERA's former financial management system, which utilized manual processes, reached end of life in January 2025. VCERA has chosen OnActuate as its integration vendor to implement a Microsoft Dynamics upgrade from "Solomon" to "Business Central." This upgrade will provide automation to enable more efficient processing of financial reports, accounts payable, contracts, general ledger accounting, and budgeting. The new software is expected to be live by July 2026.

Pension Administration System (PAS) Modernization. VCERA's current PAS, Vitech V3, will reach end-of-life in July 2028. VCERA is currently reviewing its options, including possibly upgrading to

VENTURA COUNTY - CONTINUED

Vitech's latest version, V3locity.

Amendments to VCERA Bylaws. At its December 2025 meeting, the Ventura County Board of Supervisors approved revisions to the Bylaws and Regulations as approved by VCERA's Board of Retirement at its July 2025 meeting. The Bylaws of the Board of Retirement address a variety of administrative and operational matters. Changes included updating the annual calendar of meetings, clarifying employees included in membership, and removing the Disability Hearing Procedures attachment. They were last revised in September 2019.

Amendments to VCERA Tax Regulations. At its December 2025 meeting, the Ventura County Board of Supervisors approved revisions to the Tax Compliance Regulations as approved by VCERA's Board of Retirement at its October 2025 meeting. The changes conform with recent updates in federal tax law, as well as conform to current administrative practices. The updates include changes required by the SECURE Acts of 2019 and 2022 and published relevant IRS guidance. They were last revised in January 2016.

Communications. VCERA produced a New Employee Orientation video in July 2025, led by Communications Officer Anikka Abbott. It gives a general overview of VCERA membership, benefit tiers, service credit purchases, reciprocity, retirement eligibility, and more. The project has been nominated for an EPIC Award by the California Association of Public Information Officials (CAPIO). Awards will be given at the Annual CAPIO Conference in May. The communications team is currently updating its materials to reflect new branding and accessibility guidelines.

Board Members. In late 2025, the County re-appointed Public Members Taylor Dacus and Tommie Joe. Elected General Member Jordan Roberts left the Board upon accepting a job outside VCERA membership, with a special election planned at the end of April 2026 to fill this position. The elected member will serve a term commencing upon certification of the election until December 2027. The Alternate Appointed Member position is currently vacant. For 2026, Aaron Grass, elected Safety Member, serves as Chair of the Board, and Donald Brodt, appointed Public Member, serves as Vice Chair.